

113TH CONGRESS
1ST SESSION

S. 454

To promote the development of local strategies to coordinate use of assistance under sections 8 and 9 of the United States Housing Act of 1937 with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 5, 2013

Mr. REED (for himself and Mr. BLUNT) introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To promote the development of local strategies to coordinate use of assistance under sections 8 and 9 of the United States Housing Act of 1937 with public and private resources, to enable eligible families to achieve economic independence and self-sufficiency, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Family Self-Sufficiency
5 Act”.

1 **SEC. 2. FAMILY SELF-SUFFICIENCY PROGRAM.**

2 (a) IN GENERAL.—Section 23 of the United States
3 Housing Act of 1937 (42 U.S.C. 1437u) is amended—

4 (1) in subsection (a)—

5 (A) by striking “public housing and”; and

6 (B) by striking “the certificate and vouch-
7 er programs under section 8” and inserting
8 “sections 8 and 9”;

9 (2) by amending subsection (b) to read as fol-
10 lows:

11 “(b) CONTINUATION OF PRIOR MANDATORY PRO-
12 GRAMS.—

13 “(1) IN GENERAL.—Each public housing agen-
14 cy that was required to administer a mandatory
15 local Family Self-Sufficiency program on the date of
16 enactment of the Family Self-Sufficiency Act, shall
17 operate such local program for, at a minimum, the
18 number of families the agency was required to serve
19 on the date of enactment of such Act, subject only
20 to the availability under appropriations Acts of suffi-
21 cient amounts for housing assistance and the re-
22 quirements of paragraph (2).

23 “(2) REDUCTION.—The number of families for
24 which an agency is required to operate such local
25 program under paragraph (1) shall be decreased by
26 1 for each family that, after the date of enactment

1 of the Family Self-Sufficiency Act fulfills its obliga-
2 tions under the contract of participation.

3 “(3) EXCEPTION.—The Secretary shall not re-
4 quire a public housing agency to carry out a manda-
5 tory program for a period of time upon the request
6 of the public housing agency and upon a determina-
7 tion by the Secretary that implementation is not fea-
8 sible because of local circumstances, which may in-
9 clude—

10 “(A) lack of supportive services accessible
11 to eligible families, which shall include insuffi-
12 cient availability of resources for programs
13 under title I of the Workforce Investment Act
14 of 1998 (29 U.S.C. 2801 et seq.);

15 “(B) lack of funding for reasonable admin-
16 istrative costs;

17 “(C) lack of cooperation by other units of
18 State or local government; or

19 “(D) any other circumstances that the Sec-
20 retary may consider appropriate.”;

21 (3) by striking subsection (i);

22 (4) by redesignating subsections (c), (d), (e),
23 (f), (g), and (h) as subsections (d), (e), (f), (g), (h),
24 and (i) respectively;

1 (5) by inserting after subsection (b), as amend-
2 ed, the following:

3 “(c) ELIGIBILITY.—

4 “(1) ELIGIBLE FAMILIES.—A family is eligible
5 to participate in a local Family Self-Sufficiency pro-
6 gram under this section if—

7 “(A) at least 1 adult family member seeks
8 to become and remain employed in suitable em-
9 ployment or to increase earnings; and

10 “(B) the family resides in a unit assisted
11 under sections 8 or 9.

12 “(2) ELIGIBLE ENTITIES.—The following enti-
13 ties are eligible to administer a local Family Self-
14 Sufficiency program under this section:

15 “(A) A public housing agency admin-
16 istering housing assistance to an eligible family
17 under section 8 or 9.

18 “(B) The owner or sponsor of a multi-
19 family property receiving rental assistance
20 under section 8, in accordance with the require-
21 ments under subsection (l).”;

22 (6) in subsection (d), as so redesignated—

23 (A) in paragraph (1)—

1 (i) by striking “public housing agen-
2 cy” the first time it appears and inserting
3 “eligible entity”;

4 (ii) in the first sentence, by striking
5 “the certificate and voucher programs of
6 the public housing agency under section 8
7 or residing in public housing administered
8 by the agency” and inserting “sections 8
9 or 9”; and

10 (iii) by striking the third sentence and
11 inserting the following: “Housing assist-
12 ance may not be terminated as a con-
13 sequence of either successful completion of
14 the contract of participation or failure to
15 complete such contract.”;

16 (B) in paragraph (2)—

17 (i) in the matter preceding subpara-
18 graph (A)—

19 (I) in the first sentence, by strik-
20 ing “provide” and inserting “coordi-
21 nate the provision of”; and

22 (II) in the second sentence—

23 (aa) by striking “provided
24 during” and inserting “for”;

1 (bb) by striking “section 8
2 or residing in public housing”
3 and inserting “sections 8 or 9”;
4 and

5 (cc) by inserting “, but is
6 not limited to” after “may in-
7 clude”;

8 (ii) in subparagraph (D), by inserting
9 “or attainment of a GED” after “high
10 school”;

11 (iii) by striking subparagraph (G);

12 (iv) by redesignating subparagraphs
13 (E), (F), (I), and (J) as subparagraphs
14 (F), (G), (J), and (L) respectively;

15 (v) by adding the following after sub-
16 paragraph (D):

17 “(E) education in pursuit of a post-sec-
18 ondary degree or certification;”;

19 (vi) by adding the following subpara-
20 graph after subparagraph (H):

21 “(I) health and mental health services as
22 needed;”;

23 (vii) by adding the following subpara-
24 graph after subparagraph (J), as so redesi-
25 gnated:

1 “(K) homeownership education and assist-
2 ance; and”;

3 (viii) by striking “and” at the end of
4 subparagraph (J), as so redesignated; and

5 (ix) in subparagraph (H), by inserting
6 “financial literacy and” after “training
7 in”;

8 (C) in paragraph (3), in the second sen-
9 tence—

10 (i) by striking “public housing agen-
11 cy” and inserting “eligible entity”; and

12 (ii) by striking “of the agency”;

13 (D) by amending paragraph (4) to read as
14 follows:

15 “(4) EMPLOYMENT.—The contract of participa-
16 tion shall require participants to seek and maintain
17 suitable employment.”; and

18 (E) by adding at the end the following:

19 “(5) NONPARTICIPATION.—Assistance under
20 sections 8 or 9 for a family that elects not to partici-
21 pate in a local program shall not be delayed by rea-
22 son of such election.”;

23 (7) in subsection (e), as so redesignated—

24 (A) in paragraph (1), by striking “whose
25 monthly adjusted income does not exceed 50

1 percent” and all that follows through the period
2 at the end of the third sentence, and inserting
3 “shall be calculated under the rental provisions
4 of section 3 or section 8(o), as applicable.”;

5 (B) in paragraph (2)—

6 (i) by striking the first sentence and
7 inserting the following: “For each partici-
8 pating family, an amount equal to any in-
9 crease in the amount of rent paid by the
10 family in accordance with the provisions of
11 section 3 or 8(o), as applicable, that is at-
12 tributable to increases in earned income by
13 the participating family, shall be placed in
14 an interest-bearing escrow account estab-
15 lished by the eligible entity on behalf of the
16 participating family. Notwithstanding any
17 other provision of law, an eligible entity
18 may use funds it controls under section 8
19 or 9 for purposes of making the escrow de-
20 posit for participating families residing in
21 units assisted under section 8 or 9, respec-
22 tively, provided such funds are offset by
23 the increase in the amount of rent paid by
24 the participating family.”;

1 (ii) by striking the second sentence,
2 and inserting the following: “All family
3 self-sufficiency programs administered
4 under this section shall include an escrow
5 account.”;

6 (iii) in the fourth sentence, by striking
7 “subsection (c)” and inserting “subsection
8 (d)”; and

9 (iv) in the last sentence—

10 (I) by striking “A public housing
11 agency” and inserting “An eligible en-
12 tity”; and

13 (II) by striking “the public hous-
14 ing agency” and inserting “such eligi-
15 ble entity”; and

16 (C) by amending paragraph (3) to read as
17 follows:

18 “(3) FORFEITED ESCROW.—Any amount placed
19 in an escrow account established by an eligible entity
20 for a participating family as required under para-
21 graph (2), that exists after the end of a contract of
22 participation by a participant that does not qualify
23 to receive the escrow, shall be used for the purposes
24 of this section in accordance with the regulations
25 promulgated by the Secretary.”;

1 (8) in subsection (f), as so redesignated, by
2 striking “, unless the income of the family equals or
3 exceeds 80 percent of the median income of the area
4 (as determined by the Secretary with adjustments
5 for smaller and larger families)”;

6 (9) in subsection (g), as so redesignated—

7 (A) in paragraph (1)—

8 (i) by striking “public housing agen-
9 cy” and inserting “eligible entity”;

10 (ii) by striking “the public housing
11 agency” and inserting “such eligible enti-
12 ty”; and

13 (iii) by striking “subsection (g)” and
14 inserting “subsection (h)”; and

15 (B) in paragraph (2)—

16 (i) by striking “public housing agen-
17 cy” and inserting “eligible entity” each
18 place that term appears;

19 (ii) by striking “or the Job Opportu-
20 nities and Basic Skills Training Program
21 under part F of title IV of the Social Secu-
22 rity Act”;

23 (iii) by inserting “primary, secondary,
24 and post-secondary” after “public and pri-
25 vate”; and

1 (iv) in the second sentence, by insert-
2 ing “and tenants served by the program”
3 after “the unit of general local govern-
4 ment”;

5 (10) in subsection (h), as so redesignated—

6 (A) in paragraph (1)—

7 (i) by striking “public housing agen-
8 cy” and inserting “eligible entity”;

9 (ii) by striking “participating in the”
10 and inserting “carrying out a local”; and

11 (iii) by striking “to the Secretary, for
12 approval by the Secretary,”;

13 (B) in paragraph (2)—

14 (i) by striking “public housing agen-
15 cy” and inserting “eligible entity”;

16 (ii) by striking “subsection (f)” and
17 inserting “subsection (g)”;

18 (iii) by striking “residents of the pub-
19 lic housing” and inserting “the current
20 and prospective participants of the pro-
21 gram”; and

22 (iv) by striking “or the Job Opportu-
23 nities and Basic Skills Training Program
24 under part F of title IV of the Social Secu-
25 rity Act”; and

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(C) in paragraph (3)—

(i) in subparagraph (C)—

(I) by striking “subsection (c)(2)” and inserting “subsection (d)(2)”;

(II) by striking “provided to” and inserting “coordinated on behalf of participating”; and

(III) by striking “the section 8 and public housing programs” and inserting “sections 8 and 9”;

(ii) in subparagraph (D)—

(I) by striking “subsection (d)” and inserting “subsection (e)”; and

(II) by striking “public housing agency” and inserting “eligible entity”;

(iii) in subparagraph (E), by striking “deliver” and inserting “coordinate”;

(iv) in subparagraph (H), by striking “the Job Opportunities and Basic Skills Training Program under part F of title IV of the Social Security Act and”; and

(v) in subparagraph (I), by striking “public housing or section 8 assistance”

1 and inserting “assistance under section 8
2 or 9”;

3 (11) by amending subsection (i), as so redesign-
4 nated, to read as follows:

5 “(i) FAMILY SELF-SUFFICIENCY FEES.—

6 “(1) IN GENERAL.—Subject to appropriations,
7 the Secretary shall establish a fee to be awarded by
8 formula or as otherwise determined by the Secretary
9 for the costs incurred by an eligible entity in admin-
10 istering the self-sufficiency program under this sec-
11 tion.

12 “(2) ELIGIBILITY FOR FEE.—The fee estab-
13 lished under paragraph (1) shall provide funding for
14 family self-sufficiency coordinators as follows:

15 “(A) BASE FEE.—An eligible entity serv-
16 ing 25 or more participants in the Family Self-
17 Sufficiency program under this section is eligi-
18 ble to receive a fee equal to the costs, as deter-
19 mined by the Secretary, of 1 full-time family
20 self-sufficiency coordinator position. The Sec-
21 retary may, by regulation or notice, determine
22 the policy concerning the fee for an eligible en-
23 tity serving fewer than 25 such participants, in-
24 cluding providing prorated fees or allowing such

1 entities to combine their programs under this
2 section for purposes of employing a coordinator.

3 “(B) ADDITIONAL FEE.—An eligible entity
4 that meets performance standards set by the
5 Secretary is eligible to receive an additional fee
6 sufficient to cover the costs of filling a second
7 family self-sufficiency coordinator position if
8 such entity has 75 or more participating fami-
9 lies, and an additional coordinator for each ad-
10 ditional 50 participating families, or such other
11 ratio as may be established by the Secretary
12 based on the fee allocation evaluation under
13 subparagraph (F).

14 “(C) INITIAL YEAR.—For the first year in
15 which an eligible entity implements a Family
16 Self-Sufficiency program under this section for
17 its residents, such entity is eligible for funding
18 to cover the costs of up to 1 family self-suffi-
19 ciency coordinator, based on the size specified
20 in its action plan for such program in accord-
21 ance with subparagraph (A).

22 “(D) STATE AND REGIONAL AGENCIES.—
23 For purposes of calculating the family self-suffi-
24 ciency portion of the administrative fee under
25 this paragraph, each administratively distinct

1 part of a State or regional eligible entity may
2 be treated as a separate agency.

3 “(E) DETERMINATION OF NUMBER OF CO-
4 ORDINATORS.—In determining whether an eligi-
5 ble entity meets a specific threshold for funding
6 pursuant to this paragraph, the Secretary shall
7 consider the number of participants enrolled by
8 the eligible entity in its Family Self-Sufficiency
9 program as well as other criteria determined by
10 the Secretary.

11 “(F) FEE ALLOCATION EVALUATION.—The
12 Secretary shall submit to Congress a report
13 evaluating the fee allocation under this sub-
14 section, and make recommendations based on
15 this evaluation and other related findings to
16 modify such allocation within 4 years after the
17 date of enactment of the Family Self-Suffi-
18 ciency Act, and not less frequently than every
19 4 years thereafter. The report requirement
20 under this subparagraph shall terminate after
21 the Secretary has submitted 2 such reports to
22 Congress.

23 “(3) ALLOCATION.—

1 “(A) IN GENERAL.—Funds allocated by
2 the Secretary under this subsection shall be al-
3 located in the following order of priority:

4 “(i) FIRST PRIORITY.—Renewal of the
5 full cost of all coordinators in the previous
6 year at each eligible entity with an existing
7 Family Self-Sufficiency program that
8 meets applicable size and performance
9 standards set by the Secretary.

10 “(ii) SECOND PRIORITY.—New or in-
11 cremental coordinator funding authorized
12 under this section, up to 3 coordinators
13 per eligible entity.

14 “(iii) FINAL PRIORITY.—Any other
15 new or incremental coordinator funding
16 authorized under this section.

17 “(B) GUIDANCE.—If the first priority, as
18 described in subparagraph (A)(i), cannot be
19 fully satisfied, the Secretary may prorate the
20 funding for each eligible entity, as long as—

21 “(i) each eligible entity that has re-
22 ceived funding for at least 1 part-time co-
23 ordinator in the prior fiscal year is pro-
24 vided sufficient funding for at least 1 part-

1 time coordinator as part of any such pro-
2 ration; and

3 “(ii) each eligible entity that has re-
4 ceived funding for at least 1 full-time coor-
5 dinator in the prior fiscal year is provided
6 sufficient funding for at least 1 full-time
7 coordinator as part of any such proration.

8 “(4) RECAPTURE OR OFFSET.—Any fees allo-
9 cated under this subsection by the Secretary in a fis-
10 cal year that have not been spent by the end of the
11 subsequent fiscal year or such other time period as
12 determined by the Secretary may be recaptured by
13 the Secretary and shall be available for providing ad-
14 ditional fees pursuant to paragraph (2)(B), or may
15 be offset as determined by the Secretary.

16 “(5) PERFORMANCE REPORTING.—Programs
17 under this section shall be required to report the
18 number of families enrolled and graduated, the num-
19 ber of established escrow accounts and positive es-
20 crow balances, and any other information that the
21 Secretary may require. Program performance shall
22 be reviewed periodically as determined by the Sec-
23 retary.

24 “(6) INCENTIVES FOR INNOVATION AND HIGH
25 PERFORMANCE.—The Secretary may reserve up to 5

1 percent of the amounts made available for adminis-
2 trative fees under this subsection to provide support
3 to or reward Family Self-Sufficiency programs based
4 on the rate of successful completion, increased
5 earned income, or other factors as may be estab-
6 lished by the Secretary.”;

7 (12) in subsection (j)—

8 (A) by striking “public housing agency”
9 and inserting “eligible entity”;

10 (B) by striking “public housing” before
11 “units”;

12 (C) by striking “in public housing projects
13 administered by the agency”;

14 (D) by inserting “or coordination” after
15 “provision”; and

16 (E) by striking the last sentence;

17 (13) in subsection (k), by striking “public hous-
18 ing agencies” and inserting “eligible entities”;

19 (14) by striking subsection (n);

20 (15) by striking subsection (o);

21 (16) by redesignating subsections (l) and (m) as
22 subsections (m) and (n), respectively;

23 (17) by inserting after subsection (k) the fol-
24 lowing:

1 “(1) PROGRAMS FOR TENANTS IN PRIVATELY-
2 OWNED PROPERTIES WITH PROJECT-BASED ASSIST-
3 ANCE.—

4 “(1) VOLUNTARY AVAILABILITY OF FSS PRO-
5 GRAM.—The owner of a privately-owned property
6 may voluntarily make a local Family Self-Sufficiency
7 program available to the tenants of such property by
8 entering into a cooperative agreement with a local
9 public housing agency that administers a Family
10 Self-Sufficiency program.

11 “(2) COOPERATIVE AGREEMENT.—Any coopera-
12 tive agreement entered into pursuant to paragraph
13 (1) shall require the public housing agency to open
14 its Family Self-Sufficiency program waiting list to
15 any eligible family residing in the owner’s property
16 who is assisted under project-based section 8.

17 “(3) TREATMENT OF FAMILIES ASSISTED
18 UNDER THIS SUBSECTION.—A public housing agency
19 that enters into a cooperative agreement pursuant to
20 paragraph (1) may count any family participating in
21 its Family Self-Sufficiency program as a result of
22 such agreement as part of the calculation of the ad-
23 ministrative fee under subsection (i).

24 “(4) ESCROW.—The cooperative agreement en-
25 tered into pursuant to paragraph (1) shall provide

1 for the calculation and tracking of the escrow for
2 participating residents and for the owner to make
3 available, upon request of the public housing agency,
4 escrow for participating residents, in accordance
5 with subsection (e)(2), residing in units assisted
6 under section 8.

7 “(5) NO EXISTING LOCAL PROGRAM OPTION.—
8 If there is no existing local Family Self-Sufficiency
9 program or public housing agency willing and able
10 to enter into a cooperative agreement with an owner
11 pursuant to paragraph (1), such owner may admin-
12 ister a Family Self-Sufficiency program under this
13 section without being eligible for funding under sub-
14 section (i). If such owner administers a program
15 that serves at least 25 participants, that owner shall
16 be eligible for funding under subsection (i) or may
17 use funding from residual receipt accounts for the
18 property for hiring a service coordinator for the pro-
19 gram.

20 “(6) EXCEPTION.—This subsection shall not
21 apply to properties assisted under section 8(o)(13).

22 “(7) SUSPENSION OF ENROLLMENT.—In any
23 year, the Secretary may suspend the enrollment of
24 new families in Family Self-Sufficiency programs
25 under this subsection based on a determination that

1 insufficient funding is available for this purpose.”;

2 and

3 (18) in subsection (m), as so redesignated—

4 (A) in paragraph (1)—

5 (i) in the first sentence, by striking

6 “Each public housing agency” and insert-

7 ing “Each eligible entity”; and

8 (ii) in the second sentence, by striking

9 “The report shall include” and inserting

10 “The contents of the report shall be deter-

11 mined by the Secretary and shall include”;

12 and

13 (B) in paragraph (2), by inserting “and

14 describing any additional research needs of the

15 Secretary to evaluate the effectiveness of the

16 program” after “under paragraph (1)”.

17 (b) EFFECTIVE DATE.—This Act, and any amend-

18 ments made by this Act, shall take effect on publication

19 in the Federal Register of a notice by the Secretary of

20 Housing and Urban Development to implement such

21 amendments.

1 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS.**

2 There are authorized to be appropriated to carry out
3 the amendments made by this Act \$100,000,000 for each
4 of fiscal years 2014 through 2018.

○